

ENROLLED HOUSE  
BILL NO. 3119

By: Hiett, Boyd (Laura),  
Satterfield, Hutchison,  
O'Neal, Ingmire,  
Ferguson and Reese of  
the House

and

Long of the Senate

An Act relating to cities and towns; amending 11 O.S. 1991, Section 38-114, which relates to the sale or lease of real property by the Urban Renewal Authority; authorizing approval of the municipal governing body for certain sales, leases, dispositions, transfers or retentions; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 11 O.S. 1991, Section 38-114, is amended to read as follows:

Section 38-114. A. An Urban Renewal Authority may sell, lease or otherwise dispose of or transfer real property or any interest therein acquired by it at its fair value to a redevelopment corporation or any other private person or persons, and may enter into contracts with respect thereto, under reasonable negotiating procedures as may be prescribed by the municipal governing body, for residential, recreational, commercial, industrial or other uses or for public uses, or may retain such property for public use, in accordance with the urban renewal plan. The sale, lease or other disposition or transfer of real property or interest therein may be subject to such covenants, conditions, and restrictions, including covenants running with the land, as the Urban Renewal Authority may deem to be necessary or desirable to assist in preventing the development or spread of future blight or to otherwise carry out the purposes of this article; provided that such sale, lease, disposition, transfer or retention, may be approved by the municipal governing body and may be made only after approval of the urban renewal plan by the municipal governing body. A copy of the agreement or agreements related to the sale, lease, disposition or transfer shall be filed as a public record with the clerk of the municipality and the county clerk of the county in which the situs of the municipality is located.

B. The municipality may transfer real property necessary and convenient to the execution of an approved urban renewal plan, or any interest therein, acquired by it, to the Urban Renewal Authority or a redevelopment corporation established under the provisions of this article. The transfer of real property or any interest therein to the Urban Renewal Authority shall be on such terms as may be deemed to be desirable and in the public interest. Such property, or interest therein, transferred to a redevelopment corporation shall be at its fair values for uses in accordance with an approved

urban renewal plan. Any such transfer of real property or interest therein shall be by agreement to be executed only after approval of the urban renewal plan by the municipal governing body. A copy of the agreement or agreements related to such transfer of real property shall be filed as a public record with the clerk of the municipality and the county clerk of the county in which the situs of the municipality is located.

C. Purchasers or lessees of real property in an urban renewal area and their successors and assignees shall be obligated to devote such real property only to the uses specified in the urban renewal plan, and may be obligated to comply with such other requirements as the Urban Renewal Authority or the municipal governing body may determine to be in the public interest, including but not limited to the obligation to begin and complete within a reasonable time any improvements on such real property required by the urban renewal plan. The Urban Renewal Authority or municipality may require an appropriate performance bond to insure compliance with such requirements.

D. In determining the fair value of real property for uses in accordance with the urban renewal plan, the Urban Renewal Authority or the municipality, whichever the case may be, shall take into account and give consideration to the uses provided in such plan; the restrictions upon and the covenants, conditions and obligations assumed by the purchaser or lessee or by a public body or public agency retaining the property, and the objectives of such plan for the prevention of the recurrence of blighted areas. The Urban Renewal Authority in any instrument of conveyance to a private purchaser or lessee or the municipality in any instrument of conveyance to a redevelopment corporation may provide that such purchaser or lessee shall be without power to sell, lease or otherwise transfer the real property without prior written consent until such purchaser or lessee has completed the construction of any or all improvements which such purchaser has obligated himself to construct thereon. Real property acquired for urban renewal purposes by the municipality or the Urban Renewal Authority shall be transferred as rapidly as feasible in the public interest consistent with the carrying out of the provisions of the urban renewal plan to a redevelopment corporation or other private person or persons. The urban renewal plan, or such part or parts of such plan as the Urban Renewal Authority or the municipality may determine, may be recorded in the land records of the county in such manner as to afford actual or constructive notice thereof.

E. An Urban Renewal Authority or a municipality may operate and maintain, during the project development stage, real property acquired in an urban renewal area pending the disposition of the property as authorized in this article, for such uses and purposes as may be deemed desirable even though not in conformity with the urban renewal plan.

F. The urban renewal plan may provide that the owners of record of lands within the urban renewal project at the time of project execution, if the Urban Renewal Authority deems it feasible and finds that such owners of record are financially and otherwise qualified, may retain their land and participate in the renewal or redevelopment of the project area. In every such case, the Urban Renewal Authority shall enter into an owner participation agreement with such owner or owners, which agreement shall provide that the owner agrees to carry out the purposes of the urban renewal plan, to devote such property to uses specified in the urban renewal plan, and shall contain provisions deemed to be necessary or desirable to assist in preventing the development or spread of future blight or

to otherwise carry out the purposes of this article. Such agreement shall contain such requirements as the Urban Renewal Authority may determine to be in the public interest, including the obligation to begin and complete within a reasonable time any improvements, necessary remodeling modification of any existing structure or structures on the real property required by the urban renewal plan. The Urban Renewal Authority may require an appropriate performance bond to insure compliance with such requirements. In all other respects, the owner participation agreement shall be consistent with and make requirements similar to the conditions to sale developed for similar property in the same project.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 28th day of May, 1998.

Speaker of the House of  
Representatives

Passed the Senate the 29th day of May, 1998.

President of the Senate